

SENATOR KRISTENSEN: Is this...I...go ahead.

SENATOR HALL: Our understanding, from talking to Mr. Beerman's office, is that there are 50,000 corporate entities out there. Of that, 8,000 of those would represent not-for-profits. A not-for-profit would include NSEA, for example. They would, if we exempted them, then we would exempt those kinds of operations as well from this \$150 minimum corporate tax. So, I mean, there's a number...it's not just charitable and civic, there are other types of entities that fall into that category of not-for-profit. Under the draft, they would have to pay the \$150 as it's currently before us.

SENATOR KRISTENSEN: Okay, and then in terms of enforcement, this is tied to the income tax.

SENATOR HALL: Right.

SENATOR KRISTENSEN: If they...if they don't pay that, the enforcement procedures would be some sort of an audit system. Is that right?

SENATOR HALL: No, if they don't pay the income tax. If they don't pay the income tax, Senator Kristensen, they don't pay the \$150 fee.

SENATOR KRISTENSEN: No, if they don't file.

SENATOR HALL: Correct. If they don't file, they don't pay. I mean, they kind of go together.

SENATOR KRISTENSEN: No, not necessarily.

SENATOR HALL: Well,...

SENATOR KRISTENSEN: Because I think all the nonprofits have to file but they certainly don't owe anything other than maybe their occupation tax.

SENATOR HALL: Well, and there are some that, I believe, don't even have to file but not very many of them.

SENATOR KRISTENSEN: Yeah. But in terms of collecting the \$150 from them because there's a wide number of those smaller